



**HOUSING AND COMMUNITY DEVELOPMENT
CORPORATION OF HAWAII**

LINDA LINGLE
GOVERNOR

NEWS RELEASE

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**STATE HELPS DEVELOPER FINANCE NEW SENIOR AFFORDABLE
RENTAL COMPLEX IN KIHEI**

KIHEI – The Housing and Community Development Corporation of Hawai'i (HCDCH) is providing more than \$6.4 million in state and federal housing tax credits to help build a new 34-unit affordable senior rental complex in Kihei, officials announced today at the groundbreaking ceremony.

Hale Mahaolu Ehiku will be the first affordable senior housing complex built in South Maui. In return for state assistance, Hale Mahaolu Ehiku will remain affordable for 41 years. The apartments are aimed at seniors whose incomes are at or below 30 or 60 percent of Maui County's median income. Monthly rental rates for the one-bedroom units will range from \$400 to \$530.

"Hale Mahaolu Ehiku is another great example of how the public and private sector are working together to meet the affordable housing needs of residents, especially seniors, on Maui and statewide," said HCDCH Executive Director Stephanie Aveiro. "Partnerships with organizations like Hale Mahaolu are helping us to address housing shortages for our senior citizens."

The project is set for completion in December 2006.

"We're happy for the seniors in Kihei and appreciate all of the assistance from Governor Linda Lingle, who has focused on providing affordable housing for senior citizens, along with Mayor Alan Arakawa and all of our partners," said Roy Katsuda, executive director of Hale Mahaolu.

Hale Mahaolu Ehiku is located near the intersection of East (Old) Welakahao Road and Liloa Drive. The three-story garden style apartments will have an adult day care center, a senior community center, a laundry facility, a beauty salon and a conference and management office.

This year HCDCH's partnership with developers will result in the opening of 219 new affordable housing units on Hawaii, Maui and Oahu. HCDCH has also partnered with developers to begin construction on eight projects, four on Oahu, two on Hawaii, one Lanai and one on Maui. The completion of these projects will add 386 new affordable housing units to the state's housing

inventory in the next two years.

Federal and state housing tax credits provide incentives to stimulate private sector investment in developing affordable rental housing. Property owners can use the low-income housing tax credits to obtain a reduction in tax liability for 10 years or sell the tax credits to a qualified investor.

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